GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:666
ANSWERED ON:02.03.2007
LOAN UNDER SELF EMPLOYMENT
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Will the Minister of FINANCE be pleased to state:

(a) whether the various branches of banks have received 19 lakh applications for grant of loan under self employment scheme as reported in Rashtriya Sahara dated February 5, 2007;

(b) if so, the facts of the matter reported therein;

(c) the total loan disbursed by the banks under this scheme as on date;

(d) the shortcomings in percentage as compared to the target fixed in this regard;

(e) whether the Union Government is making efforts to provide loan to the remaining applicants;and

(f) if so, the details thereof?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE)(SHRI PAWAN KUMAR BANSAL)

(a),(b)&(c) : The total number of loan applications submitted to banks under Swarnajayanti Gram Swarozgar Yojna was 447527 during the year 2006-07. The credit mobilized was Rs. 1166.46 crore against the target of Rs.2369.12 crore upto February, 2007.

(d) : The shortfall in terms of percentage to the target was 59.34.

(e)& (f) : The State Level Bankers` Committee (SLBC) in various States have been advised to achieve the credit disbursal targets and to improve lending by banks. The Secretaries in- charge ofRural Development in all States/Union Territories have been asked to review the credit disbursal by banks and discuss the matter in the meeting of SGSY Committee at the State level.Apart from the above, the following steps have been taken by RBI: -

* RBI had advised all the scheduled commercial banks that loans sanctioned under SGSY, SJSRY and SL RS should be treated as advances under priority sector.

* Branch managers should be vested with adequate discretionary powers to sanction proposals undsr the SGSY scheme.The exercise of these powers should not require reference to airy higher authority.

* Steps should be initiated to ensure that documentation process is kept simple to avoid hardship to th; beneficiaries and consequent delay in disposal of applications under the SGSY scheme

* Loan applications under SGSY should be disposed of within the prescribed time limit of 15 days and at any rate not later than one month.

* If the Service .Area Branch do not issue `No Dues Certificate` within 15 days from the date of receipt of application, the borrower will be free to approach any other branch in block for his credit requirements without production of `No Dues Certificate` from the concerned Service Area Branch.